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SENATE PROBE OF CIA CHIEF IS BEEFED UP

BY JUDITH MILLER

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WASHINGTON - The Senate Select Committee on Intelligence, assisted by at least 10 agents of the Federal Bureau of Investigation, stepped up its inquiry Saturday into the business dealings of William J. Casey, director of Central Intelligence.

Sen. Daniel P. Moynihan, D-N.Y., vice chairman of the intelligence panel, said in an interview Saturday that the committee would ask Casey to provide information about how much federal income tax he has paid, and if legally possible, would seek to obtain copies of his income tax returns.

Moynihan said that he had instructed committee investigators to explore a report in The New York Times Saturday that Casey had failed to disclose stock holdings and the receipt of a gift of \$10,000 interest in another business venture.

He also asked the panel to review what federal prosecutors called contradictory testimony by Casey in connection with the government's unsuccessful prosecution of top Nixon administration official on charges of trying to aid Robert L. Vesco, the fugitive financier.

Casey, responding through a spokesman, has denied any impropriety and has insisted that the facts would show that he is "qualified and ready" to head the Central Intelligence Agency.

Moynihan, who was reached by telephone at a crafts fair in upstate New York, reiterated his view that President Reagan's former campaign chairman must be given an opportunity to respond to questions about his business conduct in the proper forum and be afforded a "semblance of due process." At the same time, he added, the committee had no choice but to proceed with a "thorough investigation."

"That is the dismal prospect," he said, "and while the agency does not need this, it has to be done."

While he said that the committee staff would present the conclusions of its current review to the panel in a closed session on Tuesday,

Moynihan said that the staff report would only be a "first effort."

"Obviously, what we'll have is a first report," he said, "what

worries me is the investigation may

balloon."

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Hill Panel Protests CIA Covert Plan

By Michael Getler
Washington Post Staff Writer

Members of the House Select Committee on Intelligence, in a move described as "rare" by government specialists, have written to President Reagan objecting to a Central Intelligence Agency plan for a covert action operation in Africa, according to informed sources.

Sources in both the executive and legislative branches of government say that while it is not unusual for committee members to occasionally voice concern in closed-door meetings with CIA officials over various covert action schemes, it is highly unusual for members to put their views in writing for the president, who ultimately must approve or disapprove the actions. Some sources said that, in the four years since the House committee was established, they could think of no other case in which members went so far.

These sources would provide no details on the CIA operation, its size or importance, except that it was aimed at someplace in Africa. They said, however, that a number of House committee members, both Democrats and Republicans, were troubled by both the plan itself, which they felt was not properly thought through,

The plan reportedly was first brought to the committee by Max Hugel, the CIA's former deputy director for operations. Hugel has since resigned in the wake of allegations concerning his dealings as a businessman before being brought into the highly sensitive intelligence job by CIA Director William J. Casey. Hugel reportedly was accompanied at the House briefing by a State Department intelligence official, Herman J. Cohen.

In those hearings, misgivings about the plan were voiced to Hugel and Cohen, sources say. But some committee members either did not have enough confidence that their concerns would be passed along to Casey and the president, or felt sufficiently exercised about the matter, to write the president directly, the sources add.

Under a variety of amended federal statutes dealing with congressional oversight of planned U.S. covert, or undercover, intelligence activities, the president must first make a "finding" that such activities are necessary for national security and then the director of CIA is obliged to inform the House and Senate select intelligence committees, which were set up in the past four-to-five years. The committees have no formal role in approving or disapproving of such actions, but they can make concerns known and thus contribute to a change in plans.

Normally, those concerns do not go beyond the hearing room. Under the Carter administration, sources said, CIA Director Stansfield Turner frequently briefed the committee personally, so concerns were clearly known to him. Thus far in the Reagan administration, sources say Casey has not handled these appearances but delegated them mostly to Hugel and his predecessor and on occasion to deputy CIA director Bobby Ray Inman. In the case of the Africa plan, the members were not as sure that their concerns would be properly conveyed, the sources said. Sources say there has been no response yet from the White House to the letter from the House panel members.

Last year, legislation was passed that narrowed the number of committees required to be kept informed of sensitive intelligence operations from eight to the two select committees. One source said that because of this narrowing, members of the two remaining committees took their jobs even more seriously because, in effect, they were now responsible to the whole Congress if something goes wrong.

Though the Reagan administration has made clear its intention to beef up U.S. covert action capabilities, officials say this is a slow process requiring both skilled people in the field and more money. Officials say the buildup actually started in the last year of the Carter administration, when the former president changed his mind about the Russians, and will continue increasing under the